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Fifty-ninth session
Agenda 107
Review of the efficiency of the administrative and financial functioning of the United Nations

Proposed programme budget outline for the biennium 2006-2007

Report of the Secretary-General*

Summary

By its resolution 41/213 of 19 December 1986, the General Assembly, inter alia, requested the Secretary-General to submit, in off-budget years, an outline of the proposed programme budget for the following biennium. Accordingly, the outline for the biennium 2006-2007 is hereby submitted. The level of the contingency fund for the biennium 2006-2007 is recommended to be set at 0.75 per cent of the overall level of the proposed programme budget outline.

* The submission of the present document was delayed owing to the need for extensive internal consultations.

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I. Introduction

1. In accordance with the provisions of annex I to General Assembly resolution 41/213 of 19 December 1986, the Secretary-General submits, in off-budget years, an outline of the programme budget for the following biennium, which should contain an indication of the following:

(a) Preliminary estimate of resources to accommodate the proposed programme of activities during the biennium;

(b) Priorities, reflecting general trends of a broad sectoral nature;

(c) Real growth, positive or negative, compared with the previous budget;

(d) Size of the contingency fund expressed as a percentage of the overall level of resources.

The outline for the biennium 2006-2007 is hereby submitted.

II. Preliminary estimate of resources needed to accommodate the proposed programme of activities during the biennium

2. In establishing a preliminary estimate of resources for the biennium 2006-2007, the approved level of appropriations, namely, $3,179.2 million, was taken as the starting point. These existing provisions consist of the initial appropriation of $3,160.9 million and the subsequent additional appropriation of $18.3 million approved by the General Assembly for strengthening the security and safety of United Nations operations, staff and premises. The preliminary estimate, expressed in 2004-2005 prices, has been arrived at as follows:

Proposed programme budget outline for the biennium 2006-2007	*Millions of United States dollars*	
Appropriations for 2004-2005		3 179.2
Plus: Full provision for new posts approved in 2004-2005 (para. 3)	11.2	
Less: One-time costs in 2004-2005 (para. 4)	(21.7)	
Plus: Provision for new or expanded activities/events foreseen and/or mandated in 2006-2007 (para. 5)	10.5	
Changes		-
Subtotal		**3 179.2**
Additional provision required for special political missions at the current programme level		**180.0**
Preliminary estimate for established activities 2006-2007		**3 359.2**

A. Full provision for new posts

3. It will be recalled that in the context of the proposed programme budget outline for the biennium 2004-2005, the Secretary-General indicated that consideration could be given to costing all new post proposals for that biennium on

a full-cost basis to avoid the delayed impact of growth in the biennium 2006-2007. By its resolution 57/280, the General Assembly endorsed the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget outline, including, inter alia, the continuation of the practice of costing provisions for new posts at 50 per cent for the Professional level and above and 65 per cent for the General Service and related categories. The full biennial provision in 2006-2007 for those posts which were newly established in the biennium 2004-2005 and at present are only partially funded in the biennium 2004-2005 would require an additional $11.2 million in the biennium 2006-2007. This additional provision is required to maintain the regular budget established post staffing table at the same level of posts as has been already approved for the biennium 2004-2005.

B. One-time costs in the biennium 2004-2005

4. One-time costs in the biennium 2004-2005 amounting to $21.7 million would not be required. Those provisions relate mainly to one-time costs associated with the strengthening of the security and safety of United Nations operations, staff and premises. In addition, there are non-recurrent costs for substantive and public information support related to the Eleventh United Nations Congress on Crime Prevention and Criminal Justice, the eleventh session of the United Nations Conference on Trade and Development, and the World Summit on the Information Society. For the purpose of the present report, all costs provided in the biennium 2004-2005 for special political missions have been treated as being of a recurrent nature.

C. Provision for programme changes in the biennium 2006-2007

5. During the biennium 2006-2007, resources are foreseen to strengthen human rights and humanitarian assistance, the economic and social sector, humanitarian activities, as well as the United Nations Office at Nairobi. Preliminary estimates also include relevant estimated requirements for public information support for conferences and meetings foreseen in the next biennium as follows: the United Nations Conference to Review the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects; the United Nations Conference to Review the Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks; and the High-level Dialogue of the General Assembly on international migration and development. Provisions are also envisaged to meet requirements for after-service health insurance. As a result of the strengthening of these areas, projected requirements amounting to a 0.3 per cent growth of programme resources, or $10.5 million, are foreseen as needs for the biennium 2006-2007.

D. Special political missions

6. The General Assembly initially authorized some $169.4 million to be available in the biennium 2004-2005 to provide funding for such special political missions as

might be authorized by the Assembly and the Security Council. It is estimated that full biennial provision in 2006-2007 for special political missions currently existing in the biennium 2004-2005 would exceed $350 million. While the present composition of special political missions will change somewhat in the biennium 2006-2007, it is not anticipated that the overall level will trend downwards. The maintenance of the 2004-2005 initial provision of $169.4 million would seriously and materially underestimate likely requirements as it would provide less than half of currently anticipated biennial requirements. Accordingly, an increase of $180 million is included in the outline estimate, which would provide funding for special political missions at a level of $349.4 million in the biennium 2006-2007.

E. Summary

7. The proposed programme budget for the biennium 2006-2007 will be subjected to intensive internal scrutiny within the Secretariat, so as to focus on what is to be delivered by way of the accomplishments expected for the period with the resources committed. In particular, the review will continue the recent strengthened focus on item-by-item examination of programme outputs to ensure their contribution and relevance, under approved strategies, for the fullest possible achievement of expected accomplishments consistent with the application of regulation 5.6 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. Thus, the budget proposals will reflect the benefit of further reviews of possible obsolete activities, additional cost-effective measures and simplified procedures.

8. The outline requirements would be subject in due course to recosting to biennium 2006-2007 costs. Such a recosting exercise will reflect, inter alia, changes owing to both inflation and exchange rates. Experience has proven that exchange rates cannot be reliably predicted for the time periods involved. However, inflation adjustments may be more closely approximated at this stage and would extend to about $197.7 million on the assumption of cumulative annual inflation rates of 2.9 per cent prevailing through 2007. Accordingly, total requirements for the biennium 2006-2007 adjusted for inflation, but not yet for exchange rates, would amount to $3,556.9 million.

III. Priorities reflecting general trends of a broad sectoral nature

9. In the proposed strategic framework for the period 2006-2007,[1] the following priorities were proposed: maintenance of international peace and security; promotion of sustained economic growth and sustainable development in accordance with relevant General Assembly resolutions and recent United Nations conferences; development of Africa; promotion of human rights; effective coordination of humanitarian assistance efforts; promotion of justice and international law; disarmament; and drug control, crime prevention and combating international terrorism in all its forms and manifestations. **It is proposed that the programme budget for the biennium 2006-2007 should also manifest these**

priorities. The proposed distribution of resources by parts of the budget is shown in the annex.

IV. Real growth compared with the previous budget

10. **The preliminary estimate ($3,009.8 million), before inclusion of special political missions, maintains the level of regular budget established activities at the same level as the approved appropriations for the biennium 2004-2005. That would be equivalent to zero real growth. Once account is taken of the full inclusion of required provisions for special political missions, the total preliminary estimate of $3,359.2 million would represent an increase of $180 million, or 5.7 per cent, compared with existing provisions for the biennium 2004-2005.**

V. Size of the contingency fund

11. The size of the contingency fund was set at 0.75 per cent of the overall level of resources for the first outline and for all subsequent ones. **It is recommended that the level again be set at 0.75 per cent, or $25.2 million, for the biennium 2006-2007.**

Notes

[1] *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 6* (A/59/6).

Annex

Preliminary indicative estimates for the biennium 2006-2007

(Millions of United States dollars)

Expenditures by part of programme budget	*2004-2005 appropriation*	*Resource change*		*Total*
		Amount	*Percentage*	
I. Overall policy-making, direction and coordination	593.9	1.2	0.2	595.1
II. Political affairs (not including special political missions)	186.5	(5.4)	(2.9)	181.1
III. International justice and law	70.3	0.5	0.7	70.8
IV. International cooperation for development	336.5	3.3	1.0	339.8
V. Regional cooperation for development	389.6	0.2	0.1	389.8
VI. Human rights and humanitarian affairs	170.7	6.2	3.6	176.9
VII. Public information	156.1	(1.3)	(0.8)	154.8
VIII. Common support services	523.9	(3.0)	(0.6)	520.9
IX. Internal oversight	23.2	-	-	23.2
X. Jointly financed administrative activities and special expenses	105.0	1.8	1.7	106.8
XI. Capital expenditures	58.7	(5.6)	(9.5)	53.1
XII. Staff assessment	382.3	2.1	0.5	384.4
XIII. Development Account	13.1	-	-	13.1
Regular budget established activities 2006-2007	**3 009.8**	**-**	**-**	**3 009.8**
Provision for special political missions	169.4	180.0	106.3	349.4
Total	**3 179.2**	**180.0**	**5.7**	**3 359.2**

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Fifty-ninth session
Agenda item 25
Implementation of the resolutions of the United Nations

Letter dated 5 October 2004 from the Permanent Representative of China to the United Nations addressed to the Secretary-General

During the just concluded general debate of the fifty-ninth session of the General Assembly, a very few countries once again raised the issue of so-called "Taiwan's participation in the United Nations". We strongly condemn and firmly oppose such a gross encroachment on China's internal affairs by brazenly using the solemn forum of the United Nations. I hereby solemnly state, upon instructions, China's position as follows:

1. Taiwan has been an inseparable part of China's territory since antiquity. Both the 1943 Cairo Declaration and the 1945 Potsdam Proclamation have reaffirmed in unequivocal terms China's sovereignty over Taiwan as a matter of international law. There is but one China in the world, and the Government of the People's Republic of China is the sole legal government representing the whole of China. This is an objective reality that cannot be changed by anybody. To date, the overwhelming majority of the United Nations Member States have diplomatic relations with China. They all recognize the one-China principle, and they all recognize that Taiwan is a part of China.

2. The issue of China's representation in the United Nations was long solved once and for all, in political, legal and procedural terms. In 1971, the United Nations General Assembly at its twenty-sixth session adopted by an overwhelming majority resolution 2758 (XXVI), which stipulated unequivocally that the representatives of the Government of the People's Republic of China are the only legitimate representatives of China to the United Nations. Since Taiwan is a region of China, China's representation in the United Nations naturally includes Taiwan. Therefore, there is simply no such issue as the so-called "Taiwan's representation in the United Nations". Any attempt to distort or even deny the UNGA resolution 2758 (XXVI) is futile.

3. The United Nations is an intergovernmental organization composed of sovereign States. As a part of China, Taiwan is not eligible to participate, in whatever name and under whatever pretext, in the work or activities of the United Nations or its specialized agencies. On 15 September this year, the General

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Committee of the fifty-ninth session of the General Assembly once again flatly refused to include the so-called issue of "Taiwan's participation in the United Nations" in the agenda of the General Assembly. This has fully demonstrated the determination of the vast number of United Nations Member States to safeguard the Charter of the United Nations and General Assembly resolution 2758 (XXVI). It also shows that the Taiwan authorities are doomed to failure in their attempt to split China by raising the so-called issue of "Taiwan's participation in the United Nations".

4. The question of Taiwan is purely an internal matter of China. The position of the Chinese Government on the question of Taiwan is firm and clear. We will continue to adhere to the fundamental principles based on Mr. Deng Xiaoping's concept of "peaceful reunification and one country, two systems" and to Mr. Jiang Zemin's "Eight-point Proposal on the Development of Cross-Straits Relations and the Promotion of the Peaceful Reunification of the Motherland". Adherence to the one-China principle is the basis for the development of cross-straits relations and the realization of peaceful reunification. President Hu Jintao recently pointed out that we will try our utmost with greatest sincerity to achieve peaceful reunification, but we also have resolute will and are fully capable of destroying any attempt to separate Taiwan from China. To safeguard State sovereignty and territorial integrity and realize complete reunification of the motherland at an early date is the common aspiration and strong will of the 1.3 billion Chinese people, including our Taiwan compatriots. Nobody nor any force can change or stop it.

I have the honour to request that the present letter be circulated as a document of the fifty-ninth session of the General Assembly, under agenda item 25.

(*Signed*) **Wang** Guangya
Ambassador Extraordinary and Plenipotentiary
Permanent Representative of the
People's Republic of China to the United Nations

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Fifty-ninth session
Agenda item 136
Financing of the United Nations Mission in Sierra Leone

Proposed revised budget for the period from 1 July 2004 to 30 June 2005 of the United Nations Mission in Sierra Leone

Report of the Advisory Committee on Administrative and Budgetary Questions

Proposal submitted by the Secretary-General for 2004/05	$291,603,600
Recommendation of the Advisory Committee for 2004/05	$291,603,600

1. **The Advisory Committee recommends approval of the full amount proposed by the Secretary-General for UNAMSIL for the period from 1 July 2004 to 30 June 2005.**

2. The documents used by the Advisory Committee in its consideration of the financing of UNAMSIL are listed at the end of the present report. The report also incorporates the comments and observations of the Committee following its visit to the Mission from 1 to 4 June 2004.

I. Introduction

3. The United Nations Mission in Sierra Leone (UNAMSIL) was established by the Security Council in its resolution 1270 (1999) of 22 October 1999 for an initial period of six months. The mandate of the Mission was subsequently extended through successive Security Council resolutions until 30 September 2004. By its resolution 1492 (2003) of 18 July 2003, the Security Council endorsed a plan for the drawdown of UNAMSIL according to the "modified status quo" option envisaging the complete withdrawal of troops by December 2004, as recommended by the Secretary-General in his report of 23 June 2003 (S/2003/663). A revised drawdown plan with a more gradual reduction in the military and police strength of UNAMSIL, proposed by the Secretary-General in his report of 19 March 2004 (S/2004/228) was

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approved by the Security Council in its resolution 1537 (2004) of 30 March 2004. Recognizing the necessity for further strengthening of the capacity of the Sierra Leone police and armed forces to maintain security and stability effectively, as indicated in the Secretary-General's twenty-third report on UNAMSIL (S/2004/724), of 10 September 2004, the Security Council, by its resolution 1562 (2004) of 17 September 2004, extended the mandate of UNAMSIL for a further nine months, until 30 June 2005.

4. The drawdown timetable described in the Secretary-General's twenty-second report on UNAMSIL (S/2004/526), of 6 July 2004, remains on track and it is planned that by the end of December 2004 the number of troops will be reduced from 11,500 to approximately 5,000, with some 1,500 military personnel providing logistical support and a seamless transition to the Mission's residual presence. By the end of February 2005, it is expected that the force strength will be reduced to 3,250 troops and 141 United Nations military observers. The civilian staff will be reduced concomitantly.

II. Information on performance for the current period

5. The Advisory Committee was informed that, as at 31 August 2004, a total of $2,625.1 million had been assessed on Member States in respect of the Mission since its inception. Payments received as at that date amounted to $2,489.1 million, leaving an outstanding balance of $136.0 million. As at 20 September 2004, the cash position of the Mission was $223.5 million and the unliquidated obligations for the period from 1 July 2002 to 30 June 2003 amounted to $55.9 million.

6. The Advisory Committee was informed that troop and formed police cost reimbursement up to 30 April 2004 totalled $51,483,000, while the amount owed for the period from 1 May 2004 to 31 August 2005 was $46,588,000. With regard to contingent-owned equipment, the Committee was informed that as at 31 August 2004, an amount of $55,435,000 had been reimbursed and the estimated amount owed was $859,000, while unliquidated obligations totalled $35,531,000. In respect of death and disability compensation, $4,235,650 had been paid as at 31 August, 2004 for 99 claims; 14 claims were pending and unliquidated obligations amounted to $15,883,000.

7. **The Committee commends the Mission on its well-managed cash position and notes with appreciation that all of the 69 memorandums of understanding have been signed. It calls upon Headquarters to replicate these good practices in other missions.**

8. The Advisory Committee was informed that the delayed deployment factor as at 31 August 2004 was 12 per cent for military observers, 18 per cent for military contingents and 22 per cent for civilian police, and that the vacancy rate was 17 per cent for international staff, 6 per cent for national staff and 14 per cent for United Nations Volunteers.

III. Proposed revised budget for the period from 1 July 2004 to 30 June 2005

9. The initial budget for the operations of UNAMSIL for the period from 1 July 2004 to 30 June 2005 amounted to $196,982,200,[1] based on the drawdown plan envisaging a complete withdrawal of troops by December 2004.

10. The revised resource requirements for the period from 1 July 2004 to 30 June 2005 amount to $291,603,600, an increase of $94,621,400 or 48 per cent over the initial apportionment (see A/59/286). This revised amount encompasses $143,428,200 for military and police personnel, $50,413,100 for civilian personnel and $97,762,300 for operational costs, respective increases of 29, 46 and 90 per cent, with air transportation accounting for 70 per cent of the increase in operational costs.

11. As indicated in paragraph 4 above, the revised budget provides for the scaling down of the Mission to 5,320 troops by December 2004 and subsequently from 1 January 2005 for an initial period of six months to a residual presence with a ceiling of 3,250 troops, 141 military observers and 80 civilian police personnel.

12. Civilian personnel will also be reduced, initially down to 1,003 posts, comprising 330 international staff, 534 national staff and 139 United Nations Volunteers by December 2004, and further to a total of 849 posts, comprising 266 international staff, 486 national staff and 97 United Nations Volunteers by 30 April 2005.

A. Activities of the Mission related to liquidation

13. In its report on the financial performance report for the period from 1 July 2002 to 30 June 2003 and the proposed budget for the period from 1 July 2004 to 30 June 2005 (A/58/759/Add.3) the Advisory Committee noted that property write-off was not proceeding as well as could be expected, especially at the downsizing stage of the Mission. It urged UNAMSIL to pay increased attention to the write-off and disposal process and to ensure that those tasks were accomplished in full compliance with the financial rules and procedures of the Organization.

14. The Committee was informed that following a thorough review of the asset write-off and disposal process, an Assets Disposal Group and an Asset Disposal and Environmental Protection Unit were established. The first is responsible for resolving outstanding issues related to asset write-offs and disposal, whereas the second ensures that all United Nations and contingent-owned assets are disposed of in an environmentally friendly manner and that the Sierra Leone local authorities issue a certificate of clearance indemnifying the Mission from environmental liabilities in the areas evacuated. The lessons learned and experience acquired have been integrated into guidelines, developed in close cooperation with the United Nations Environment Programme (UNEP), for the environmentally friendly disposal of assets, which will become part of the standards applied by the Department of Peacekeeping Operations in all missions.

[1] Recommended by the Advisory Committee and approved by the General Assembly in its resolution 58/308 of 18 June 2004.

15. The Committee understands that, at the end of February 2004, an assets surplus of $40 million to be transferred to the United Nations Logistics Base or other missions had been identified. It was informed that following the steps taken to dispose of most of the written-off assets, there were 2,140 assets pending disposal and 839 assets in the process of being written off as at 31 August 2004. **The Committee commends UNAMSIL for the progress made in this area.**

B. Military and police personnel

Category	*Approved 2004/05*	*Revised 2004/05*		*Incumbency*[a]
Military observers	260	260		229
Military contingent[b]	10 399	9 800	31 Jul. 2004	8 476
		5 320	31 Dec. 2004	
		3 250	31 Mar. 2005	

[a] As at 31 August 2004.
[b] Based on scheduled deployment.

16. The schedule of troop repatriation is established in close concert with contributing countries, allowing for a certain flexibility with respect to actual departure dates. Drawdown of military and police personnel is proceeding in accordance with the adjustment drawdown and withdrawal plan. The Committee was informed that the Mission plans to close 22 camps/team sites and repatriate 4,440 military personnel, while conducting rotations for 2,125 military personnel, within the next three months.

17. The Committee notes that with the decrease in the number of troops, the levels of the Force Commander and Deputy Force Commander have been downgraded from ASG to D-2 and from D-2 to D-1, respectively.

C. Civilian personnel

Category	*Approved 2004/05*	*Revised 2004/05*[a]		*Incumbency*[b]
International staff	335	335	31 Jul. 2004	277
		330	31 Oct. 2004	
		320	31 Jan. 2005	
		265	30 Apr. 2005	
National staff	556	556	31 Jul. 2004	526
		534	31 Oct. 2004	
		556	31 Jan. 2005	
		486	30 Apr. 2005	
United Nations Volunteers	147	147	31 Jul. 2004	126
		139	31 Oct. 2004	
		131	31 Jan. 2005	
		97	30 Apr. 2005	
Total	1 038	1 038	31 Jul. 2004	929
		1 003	31 Oct. 2004	
		1 007	31 Jan. 2005	
		848	30 Apr. 2005	

[a] Based on scheduled deployment.
[b] As at 31 August 2004.

18. The implementation of the adjustment drawdown and withdrawal plan has created considerable additional tasks for the administrative component of the mission. For example, the movement of a battalion from its existing location to the port of departure for repatriation takes approximately one month, requiring numerous activities such as the clean-up of existing camp sites/locations, transportation of all contingent-owned equipment and military personnel to the transit camps by road or air, maintenance and extension of transit camps, and transportation of contingent-owned equipment and military personnel to the ports for departure.

19. The Advisory Committee is concerned that the requirement for multiple peacekeeping operations in the region, with the consequent competition for experienced mission staff, together with the downsizing of UNAMSIL, have precipitated an erosion of experienced staff away from UNAMSIL at a crucial point in its operation. It is an important principle that sufficient experienced staff should be retained in a mission that is downsizing to deal with assets disposal and the handover of programmes to the Government and other entities in the country, as well as to properly document lessons learned. **The Committee understands the urgency entailed in setting up new peacekeeping operations and the career development concerns of the staff assigned to missions which are winding up; however, it strongly recommends that the Department of Peacekeeping Operations assign greater priority to ensuring that adequate numbers of experienced staff are available to carry out winding up activities efficiently and effectively and that guidelines be established to strengthen existing lessons-learned efforts.**

20. **The Committee welcomes the efforts made to align the grade levels of a variety of posts to the reduced workload of the downsized mission.**

D. Operational costs

1. Training

21. **The Committee notes the extensive training programmes available to the staff of this downsizing mission; some courses attended seem to be more suited to the start-up phase of peacekeeping missions. In certain cases, the training is conducted in Geneva, New York or Brindisi, undoubtedly entailing additional travel costs. It is the Committee's opinion that the training programmes offered should be related to the operational needs of the downsized Mission; the Committee requests the Mission to make a careful assessment of the training needed by staff to accomplish their tasks. In this connection, it understands that training programmes for strengthening the capacity of national staff may be planned and executed at all stages of a mission, including and especially in the downsizing phase.**

22. **Moreover, the Committee recognizes that the question of staff training is also a broader, cross-cutting issue that cannot be resolved at the level of a particular mission. It should be addressed in an integrated manner, with a systematic recording of the training programmes attended by each staff member, on the one hand to ensure that staff members do not undergo the same training multiple times and on the other to facilitate search for specific skills. The Committee has requested the Department of Peacekeeping Operations to prepare proposals for an in-depth discussion on all matters related to staff training in February 2005.**

2. Transportation

23. The Committee underlines the importance of monitoring the ratio of vehicles to the number of personnel with a view to maximizing cost savings, especially during the downsizing phase of operations.

24. The Committee was informed that the increases in transportation costs, especially air transportation, are due to the increased number of aircraft in operation. This is to some extent attributable to the new safety policy of the Department of Peacekeeping Operations which prohibits travel of passengers on cargo helicopters, but also, in part, to the increased activity related to troop repatriation and the impossibility of ground access to many areas during the rainy season. To comply with this policy, the Mission has received four new MI-8 helicopters for carrying passengers and repatriated one MI-26 helicopter, with a net annual increase in operating costs of $6.9 million.

3. Standard ratios

25. **The Committee commends the Mission for applying ratios based on real, mission-tested costs, deviating from institutional standards, and thereby producing a more realistic budget and avoiding overbudgeting.** For example, the requirement for petrol, oil and lubricants was established based on the effective local price of $0.33 instead of the standard benchmark price of $0.5, as well as on a more realistic estimate of the consumption of fuel per vehicle per day. The Committee requests the Department of Peacekeeping Operations to extend this practice to other missions.

E. Cooperation

26. The Committee noted the widespread cooperation, on a day-to-day basis, between UNAMSIL and the other United Nations peacekeeping missions in Western Africa, namely the United Nations Operation in Côte d'Ivoire (ONUCI) and the United Nations Mission in Liberia (UNMIL) in areas relating to administration and logistics, training, military operations, political and civilian affairs, civilian police operations, human rights and child protection, humanitarian affairs and public information. As the oldest mission in the region, and having acquired expertise and experience, UNAMSIL is able to provide support to the other missions, particularly in the start-up phase.

27. For example, in the area of administration and logistics, the three missions have assisted each other by sharing critical equipment, aircraft and specialized staff and extending medical assistance. With regard to civilian police operations, UNAMSIL sent a civilian police officer for a two-week assessment mission to Liberia, provided material on training, organized a workshop and set up mechanisms for joint planning and sharing of information concerning cross-border security issues. Discussions on areas of common interest, such as planning for the return of refugees or lessons learned on child protection, take place regularly. UNAMSIL has also assisted in the preparation of workshops and provided briefings in the areas of humanitarian affairs and human rights to the military leadership prior to their deployment in Liberia.

28. Among the formal links instituted are meetings between the Special Representatives of the Secretary-General, which provide a forum for assessing political and security developments in the subregion, and quarterly meetings

between the three Force Commanders, which are coordinated by an interregional secretariat.

29. On the military front, links have been established between staff officers at various levels and regular exchanges of information and assessments take place. UNAMSIL and UNAMIL have exchanged Liaison Officers, jointly patrol the border with Liberia and review the threat on a daily basis. The Committee was informed that the missions are also working closely together on the crucial issue of the disarmament, demobilization and reintegration of ex-combatants, which was initially targeted for completion by March 2004. The continuing presence of some 800 ex-combatants in Côte d'Ivoire and Liberia is considered to be a potential source of danger and destabilization, not only for Sierra Leone, but for the region. The Committee urges the Mission to pursue this matter diligently.

30. There is also extensive cooperation between the Mission and agencies in the area. The Advisory Committee was pleased to note the spirit of cooperation among the entities involved in the Sierra Leone country team and the sense that was conveyed of a common goal. The agencies are already working hand in hand in such areas as resettlement of displaced persons, refugees, disarmament, demobilization and reintegration, child protection, small arms, immunization campaigns, youth and jobs for youth, and are poised to take over many UNAMSIL programmes once the Mission withdraws. The Committee was informed that the World Bank, for example, had committed itself to a three-year plan for the development of infrastructure at $70 million per year. However, funding, in general, is scarce; the Committee was informed that the recent United Nations inter-agency appeal yielded only 10 per cent of the funding goal of $60 million.

31. During the visit of the Advisory Committee, the country team expressed its recognition that the needs for recovery and the transition to sustainable development in Sierra Leone go well beyond the means of any individual agency and called for multi-dimensional partnerships with the Government, the United Nations, United Nations agencies and other humanitarian and development partners. The Committee was informed that at the beginning stages of international involvement in Sierra Leone, emergency funding was plentiful for non-governmental organizations, which began to initiate generous projects. After UNAMSIL was established, emergency funding for non-governmental organizations dried up to some extent and the organizations began to close down activities and withdraw from Sierra Leone, causing some social tension and disruption of services. **The Committee stresses that the exit strategy should be smooth and, to that end, it should be coordinated by UNAMSIL and involve all concerned agencies and non-governmental organizations, as well as the Government.**

32. With regard to the Special Court for Sierra Leone, the Committee notes with interest the extent of current cooperation, and encourages the Mission to further strengthen its collaboration with the Court to the extent possible during the remainder of the Mission's mandate. In December 2002, a memorandum of understanding was signed clarifying the terms of cooperation between the Court and UNAMSIL. It was reported to the Committee that UNAMSIL support had been crucial in the field of security and that the Court continued to depend on UNAMSIL helicopter assets for the movement of personnel to and from the interior of the country to conduct investigations, visits to witnesses and outreach programmes. UNAMSIL also provided other logistical support to the Court on a reimbursable basis. In the opinion of the Committee, greater effort could have been made to

create joint services in areas such as personnel, information technology, finance and procurement to avoid the establishment of separate units within the Court.

F. Quick-impact projects

33. While in Sierra Leone, the Advisory Committee visited the sites of two quick-impact projects involving the building of schools by Ghanaian military personnel. In the Committee's view, these projects, which are modest in scope and cost, are useful, not only for the communities concerned, but also because of the good public relations they foster among all participants. Furthermore, they give an additional constructive task to military contingents. In this connection, the Committee notes that the projects it visited had been under implementation during the downsizing phase, rather than in the start-up phase, as was envisaged in the report of the Panel on United Nations Peace Operations (the Brahimi report) (see A/55/305-S/2000/809, para. 47 (a)).

34. It is the view of this Committee that quick-impact projects could be useful beyond the initial stages of a mission when they contribute to the implementation of the mission's mandate by fostering good relations between the military contingents and the local population. Care must be taken, however, to avoid bureaucratization, as the advantage of these projects lies in the flexibility with which they are planned and implemented, as well as their low cost. The experience with these projects should be sufficient, at this point, to draw educated lessons.

35. **The Committee therefore recommends that the General Assembly consider the issue with a view to extending the funding for quick-impact projects beyond the initial stages of missions. To assist this consideration, the Committee further recommends that the Secretariat work towards developing a model that would draw on lessons learned and that would not involve the establishment of rigid financial arrangements, which could render such projects more costly and impede their quick implementation.**

Radio UNAMSIL

36. One entity that bears special mention following the Committee's visit to the Mission is Radio UNAMSIL. Its coverage includes most of the country and it is, in fact, the first national broadcasting medium, providing the people with unbiased reporting and an outlet for voicing opinion through its many phone-in programmes. Radio UNAMSIL also broadcasts targeted radio programmes, such as the Voice of Children, which is currently airing 12 programmes on three radio stations nationwide, with some 200 children involved as producers, presenters and researchers. The Committee understands that Radio UNAMSIL was instrumental in galvanizing the people for the elections and expects that it will continue to play an important role as UNAMSIL draws down and the Special Court begins its trial phase.

IV. Conclusions of the Advisory Committee

37. The action to be taken by the General Assembly in connection with the financing of UNAMSIL for the period 1 July 2004 to 30 June 2005 is indicated in paragraph 25 of the revised budget (A/59/286). **Taking into account its comments above, the Advisory Committee recommends that the Assembly approve the Secretary-General's proposals.**

Documentation

- Revised budget for the United Nations Mission in Sierra Leone for the period from 1 July 2004 to 30 June 2005 (A/59/286)
- Security Council resolution 1537 (2004) of 30 March 2004
- Security Council resolution 1562 (2004) of 17 September 2004
- General Assembly resolution 58/308 of 18 June 2004

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Agenda item 112
Pattern of conferences

Pattern of conferences

Reform of the Department for General Assembly and Conference Management

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the pattern of conferences (A/59/159) and on the reform of the Department for General Assembly and Conference Management (A/59/172). The Committee also had before it for information the report of the Office of Internal Oversight Services on the integration of global management of conference services (A/59/133 and Corr.1). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. Pursuant to General Assembly resolution 58/250 of 23 December 2003, the report on the pattern of conferences presents statistical and other information on the utilization of conference-servicing resources and facilities, documentation and publication-related matters, translation and interpretation matters and information technology; and the report on the reform of the Department for General Assembly and Conference Management focuses on general aspects of the technical secretariat support and conference services provided by the Department as well as on the three major projects that it has undertaken over the past year.

3. Issues pertaining to documentation management are discussed in the report on the reform of the Department for General Assembly and Conference Management (A/59/172, paras. 18 and 19). As indicated in the report, the Department has adopted measures to improve, inter alia, the timely issuance of documents for the deliberations of intergovernmental and expert bodies. These include the implementation of the slotting system for documentation forecasting and planning. The Committee exchanged views with managers of the Department on the status of the implementation of the envisaged electronic documentation management system (ibid., paras. 24-37). The slotting system was established to enhance predictability

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of workload, to enable better planning and utilization of the processing capacity of the Department and to promote more timely issuance of documents through more accurate programming and monitoring of manuscript submissions by author departments (ibid., para. 25). **The Committee is of the view that, in spite of the advantages initially foreseen in the implementation of the slotting system, chronic problems continue, due, at least in part, to "off schedule" submission of documentation for processing. The Committee's experience shows that the system lacks the needed flexibility and has become an obstacle to the timely issuance of required documents as well as the ability to respond to surge requirements. The Committee understands that an interdepartmental review group is being set up to address weaknesses in the system and ways and means to correct them.**

4. The report on the pattern of conferences contains tables with statistical data on the planned and actual utilization of conferences resources allocated to a core sample of bodies that met in New York, Geneva, Vienna and Nairobi in 2003, compiled in accordance with the methodology adopted by the Committee on Conferences at its 348th meeting, on 18 May 1993 (A/59/159, annex I). An explanation of the column headings of the tables, including the formula for the calculation of the "utilization factor", which explains changes in the methodology for calculating the factor in 2003, is also contained in the annex.

5. The Advisory Committee notes that according to the formula, the overall utilization factor for 2003 is higher than in 2002 and 2001, reflecting a general increase in utilization of conference resources at all duty stations since 2001. **The Committee welcomes this development but remains concerned about the fact that raw statistics on the utilization of conference resources, without a more qualitative analysis, are potentially misleading and may obscure the understanding of actual efficiency gains in the utilization of allocated conference resources. The Committee believes that, under the results-based management culture gradually evolving in the Organization, more emphasis should be placed on the optimal use of allocated conference resources by measuring results achieved with the use of available resources. As this may not necessarily coincide with the current formula used to measure the utilization of conference resources, the Committee urges all the parties concerned to revisit the methodology for calculating the use of conference resources taking its views into account.**

6. The report on the pattern of conferences also addresses the issue of vacancy rates in language service posts (A/59/159, paras. 47-49). At Headquarters, several translation services continue to have high vacancy rates as a result of a large number of retirements and other staff movements. In Geneva and Vienna the vacancy rates are lower, although they are expected to increase as a result of retirements falling between now and the end of 2005, and in Nairobi difficulties remain in filling translation, editorial and interpretation posts (ibid., para. 47). The Committee was informed that the problem is more acute in the filling of Arabic language posts. **The Committee is of the view that greater attention should be paid by the Department to succession planning by identifying potentially successful applicants in local markets and developing a roster of qualified candidates in all official languages. The Committee intends to revert to the general issue of succession planning and vacancies in the context of its review of the**

documentation submitted by the Secretary-General on human resources management to the fifty-ninth session of the General Assembly.

7. Major projects undertaken by the Department, as mandated by the General Assembly (see resolutions 56/242, 57/283 B and 58/250), include the study on workload standards and performance measurement (see A/59/172, paras. 48-52). The Committee notes that a task force on workload standards and performance measurement was established in July 2003 with the participation of United Nations Headquarters, and the United Nations Offices at Geneva, Vienna and Nairobi. The task force has reviewed the existing workload standards for conference-servicing staff and tried to establish the impact of the introduction and utilization of various new technologies and working methods on the performance of staff in the conference-servicing area (ibid., para. 48). **The Committee notes that in certain areas of work such as text-processing and distribution, the introduction of information technology tools has resulted in efficiency gains, reflected in staff reductions and redeployment, and that the efforts of the Department to establish total e-flow and e-processing of documentation are still at an early stage (ibid., paras. 50 and 51). The Committee points out, however, that the introduction of new information technologies in the Department has not automatically resulted in increased productivity in important areas of work such as editing, translation and interpretation, where the nature of the work may not be readily amenable to automation and the ultimate impact of such technology is difficult to assess.**

8. In this connection, the Advisory Committee notes from the report of the Board of Auditors on the financial reports and audited financial statements of the United Nations for the biennium ended 31 December 2003 (A/59/5, vol. I, chap. II, para. 191) that the Board was informed by the Department that factors affecting the decline in output and productivity in the Department included the introduction and spread of e-flow and e-processing, involving the expanded use by translators of keyboarding and computer-based terminology and reference aids. The Committee points out that these have actually lowered productivity although they may eventually enhance the quality and consistency of the final product. **Nevertheless, the Committee is concerned that after a large investment in information technology (IT) in the Department, measurable gains in productivity and quality are yet to be realized. The Committee requests that, in its ongoing reform efforts, the Department continue to develop a coherent and practical results-oriented IT strategy. In so doing, it should ensure that the needs and experience of language staff are taken fully into account in the further development and use of IT in the department.**

9. The Advisory Committee notes from the report of the Department that it will continue the study of workload standards and performance measurement, with a view to presenting to the General Assembly, at its sixtieth session, a proposal for a comprehensive methodology for performance measurement and management for a full-system perspective (A/59/172, para. 65). **From its exchange of views with managers of the Department, the Committee is not convinced that the Department has made sufficient efforts to raise the performance of individual staff members by, inter alia, linking its staff training programmes with its workload standards and performance measurement. The Committee requests that the Department report on the matter in the context of its report on the study of workload standards and performance measurement.**

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Financing of the United Nations Operation in Côte d'Ivoire

Proposed budget for the United Nations Operation in Côte d'Ivoire for the period from 1 July 2004 to 30 June 2005

Report of the Advisory Committee on Administrative and Budgetary Questions

Proposal submitted by the Secretary-General for 2004/05	$384,350,400[a]
Recommendation of the Advisory Committee for 2004/05	$378,472,800

[a] Includes $200,646,600 already appropriated for the period under the terms of General Assembly resolution 58/310 of 18 June 2004.

I. Introduction

1. **The recommendations of the Advisory Committee in paragraphs 18, 29, 31, 34 and 37 below would entail a reduction of $5,877,600 to the proposed budget for the United Nations Operation in Côte d'Ivoire (UNOCI) for the period from 1 July 2004 to 30 June 2005 (A/59/289). The Committee also makes a number of observations and recommendations with regard to the administration and management of the mission and the opportunities for further savings.**

2. In May 2004, the Secretary-General submitted a proposed budget for UNOCI for the 15-month period from 4 April 2004 to 30 June 2005 (A/58/788). On the recommendation of the Advisory Committee, the General Assembly, by its resolution 58/310 of 18 June 2004, decided to appropriate to the Special Account for UNOCI the amount of $96,368,100 for the period from 4 April to 30 June 2004 for the establishment of the Operation, inclusive of the amount of $49,943,300 previously authorized by the Advisory Committee under the terms of section IV of General Assembly resolution 49/233 A of 23 December 1994.

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3. By the same resolution, the Assembly decided also to appropriate to the Special Account for the Operation the amount of $211,101,400, inclusive of $200,646,600 for the maintenance of the Operation for the period from 1 July to 31 December 2004, $8,547,300 for the support account for peacekeeping operations and $1,907,500 for the United Nations Logistics Base, on the understanding that a revised budget for the period from 1 July 2004 to 30 June 2005 would be submitted in September 2004, as recommended by the Advisory Committee (see A/58/806, para. 45). The proposed budget contained in document A/59/289 constitutes that revised budget.

4. The documentation used by the Advisory Committee in its consideration of the financing of UNOCI is listed at the end of the present report.

II. Expenditure and incumbency data for the period from 1 July to 31 December 2004

5. The Advisory Committee was provided with expenditure data for the period from 1 July to 31 December 2004, as at 24 September 2004 (see annex I). Expenditure for the period amounted to $84,648,000 against an apportionment of $200,646,600. The Committee was also informed that the incumbency for UNOCI, as at 25 September 2004, was as follows:

	Authorized/proposed in initial budget (A/58/788)	*Incumbered*	*Vacancy/delayed deployment rate (percentage)*	*Authorized/proposed in revised budget (A/59/289)*
Military observers[a]	200	166	17	200
Military contingents[a]	6 040	5 843	3	6 040
Civilian police[a]	350	210	40	350
International staff[b]	401[c]	212	47	387
National staff (General Service)[b]	439	221	50	387
National professional officers[b]	18	1	94	18
United Nations volunteers[b]	232	59	75	215

[a] Represents the highest authorized strength for the period.
[b] Represents the highest proposed strength for the period.
[c] Takes into account reductions recommended by the Advisory Committee (A/58/806, paras. 30 and 32).

III. Proposed budget for the period from 1 July 2004 to 30 June 2005

A. Mandate and planned results

6. **The Advisory Committee once again commends the Secretariat for the well-defined results-based framework it has established for this Operation, and in particular the close alignment of the components and expected accomplishments with the mandate of the mission, as set forth in Security Council resolution 1528 (2004) of 27 February 2004. The Committee points out, however, that although it appears that the mission is assigning importance to the humanitarian coordination "pillar" with the establishment of the post of Deputy Special Representative of the Secretary-General for Humanitarian Coordination, Recovery and Reconstruction, the outputs listed under component 3 do not reflect this. In fact, the concept of the integrated mission and the coordination role do not seem fully developed in the budget document, despite the fact that this Operation has had, in effect, six months of experience in implementing this structure.**[1]

1. Disarmament, demobilization, reintegration, repatriation and resettlement

7. The proposed structure of the mission includes a Disarmament, Demobilization and Reintegration Section, which is to assist the National Commission for Disarmament, Demobilization and Reintegration in implementing the programme.

8. The Advisory Committee notes that, under the Accra III agreement, the disarmament, demobilization and reintegration process is to begin on 15 October 2004 (see S/2004/697, para. 35). The Committee was informed that 11 disarmament, demobilization and reintegration sites were planned and that 6 were at present ready for use: 3 in the north and 3 in the south. The Advisory Committee requested, but did not receive, detailed information concerning the funding for the programme, similar to that provided to the Committee for its consideration of the financing of UNOCI in May 2004 (see A/58/806, annex III). **That information should be provided to the Fifth Committee in time for its consideration of the proposed budget for UNOCI. Further, the Advisory Committee requests that, in future, such information be provided for all missions with a disarmament, demobilization and reintegration component.**

9. The Advisory Committee understands that there remain funding difficulties for the reintegration phase, a large part of the cost of which was to be covered by a loan from the World Bank, in the amount of $65 million. As required under its conditions for the payment of loans, the Bank has suspended disbursements to Côte d'Ivoire owing to non-payment of debt obligations. The Bank is currently exploring ways to support the peace process (see S/2004/697, para. 36).

[1] The Committee understands that the Deputy Special Representative for Humanitarian Coordination, Recovery and Reconstruction was, in fact, appointed in August 2004; however, the mission has been operating with this structure since April 2004.

2. Regional cooperation

10. In its resolution 1528 (2004), the Security Council requested the Secretary-General to encourage the United Nations missions in West Africa to share logistical and administrative support in order to maximize effectiveness and minimize the cost of the missions, and requested UNOCI to carry out its mandate in close liaison with the United Nations missions in Sierra Leone and Liberia, including especially in the prevention of movements of arms and combatants across shared borders and the implementation of disarmament and demobilization programmes.

11. The Advisory Committee was briefed on inter-mission cooperation in the region, which is ongoing in three areas: information-sharing, including by means of meetings and the exchange and secondment or reassignment of personnel in the military, substantive or support areas; exchange of lessons learned in such areas as disarmament, demobilization and reintegration; and joint operations, such as coordinated border patrols. The Committee was informed that a report on inter-mission cooperation and cross-border activities was currently under preparation and would be issued in the coming weeks.

12. The Advisory Committee was informed that there had also been cooperation among the missions in the sharing of logistical resources, such as vehicles, information technology equipment and air assets. Upon request, the Committee was provided with detailed information on that logistical cooperation (see annex II).

3. Human rights

13. The Operation includes a Human Rights Office which is responsible for advising and providing technical assistance to the Government of National Reconciliation in the implementation of the human rights and justice provisions of the Linas-Marcoussis Agreement. As indicated in the report of the Secretary-General to the Security Council (S/2004/697), in June 2004 the Office of the United Nations High Commissioner for Human Rights established the International Commission of Inquiry envisaged under the Linas-Marcoussis Agreement to investigate all serious violations of human rights and humanitarian law perpetrated in Côte d'Ivoire since 19 September 2002. In collaboration with the United Nations Development Programme and other United Nations agencies, UNOCI has been providing administrative and logistical support, including vehicles, air transportation and communications, to the Commission on a reimbursable basis. This will be reflected in the performance report for the period.

4. Preparations for the elections

14. The structure of the Operation includes an Electoral Assistance Office which is responsible for monitoring and reporting on all phases of the electoral process and providing technical advice to the national bodies responsible for activities relating to the electoral process. The Advisory Committee was informed that, despite the limited progress made in the preparations for the elections owing to problems encountered in the identification process, as well as the legal issues that will need to be resolved relating to the nationality of the President, the target month for the elections remains October 2005.

B. Resource requirements

1. Military and police personnel

Category	*Authorized*
Military observers[a]	200
Military contingents[a]	6 040
Civilian police[a]	350

[a] Represents highest level of authorized strength.

15. The estimate of $8,909,400 for military observers for the period from 1 July 2004 to 30 June 2005 is based on the phased deployment of 64 military observers, with the total authorized strength of 200 observers to be achieved by September 2004. A 10 per cent delayed deployment factor has been applied to requirements for mission subsistence allowance (MSA).

16. For military contingent personnel, the estimated requirement of $140,397,500 for the period from 1 July 2004 to 30 June 2005 takes into account the phased deployment of 1,036 personnel, with full deployment of 6,040 troops, including 120 staff officers, to be attained in October 2004. A 5 per cent delayed deployment factor has been utilized, where applicable. The Advisory Committee notes that provision is made for the payment of the food and incidental portion of MSA to the 120 staff officers at force headquarters at the rate of $54 per person per day for the period from 1 July through 31 October 2004, pending finalization of catering arrangements.

17. **The Advisory Committee commends the Operation for the substantial progress it has made in the emplacement of military contingent personnel and military observers.** As shown in paragraph 5 above, vacancy rates for contingent personnel have dropped from 73 per cent in May 2004 to the current rate of 3 per cent; the corresponding figures for military observers are 38 per cent in May 2004 and 17 per cent at present.

18. The Advisory Committee was informed, however, that the aviation transport unit shown on the organization chart for the military component of the mission (see A/59/289, annex, sect. C) and the eight military helicopters associated with it had not been deployed and, further, that a troop-contributing country had as yet to be identified. Upon enquiry, the Committee was informed that the unit, which is to consist of up to 180 personnel, had only been budgeted for beginning 1 October 2004. Realistically, however, it is unlikely that the unit will be in place before the end of December 2004. **The Committee therefore recommends that the estimate for military contingents be reduced by $849,200, corresponding to the amount budgeted for 180 contingent personnel for the three-month period from 1 October to 31 December 2004 (see also para. 37 below).**

19. On the issue of hardwall accommodations for the troops, the Advisory Committee was informed that every effort was being made to expedite construction and to have troops in hardwall accommodations within six months of their being deployed.

20. The estimated requirements for civilian police for the period from 1 July 2004 to 30 June 2005 amount to $12,801,100 and are based on a phased deployment, with the authorized strength of 350 personnel to be attained by November 2004. A 10 per cent delayed deployment factor has been applied in respect of MSA.

21. The Advisory Committee notes that, of the 350 civilian police authorized, only 210 (see para. 5 above) are currently in place. Upon enquiry as to the reason behind the high vacancy rate, the Committee was informed that the mission was experiencing difficulty in finding French-speaking candidates for civilian police, which the mission considers essential. The Committee understands that this has been a problem in several peacekeeping operations. **While the Committee does not recommend adjustment of the delayed deployment factor for civilian police at this time, it does stress the need for the Department of Peacekeeping Operations to take steps to deal with this matter expeditiously.**

2. Civilian personnel

Category	*Initial proposal*[a]	*Current proposal*
International staff	401	387
National staff[b]	457	405
United Nations volunteers	232	215

[a] Proposed in the initial budget submitted for the period from 4 April 2004 to 30 June 2005 (A/58/788). Takes into account reductions recommended by the Advisory Committee (A/58/806, paras. 30 and 32).

[b] Includes national professional officers and national General Service staff.

22. Estimated requirements for civilian personnel for the period from 1 July 2004 to 30 June 2005, which amount to $51,173,600 ($38,028,200 for international staff, $7,679,000 for national staff and $5,466,400 for United Nations Volunteers), are based on phased deployment, with full deployment to be attained in March 2005. Delayed recruitment factors have been applied to the estimates as follows: 20 per cent for international staff, 15 per cent for national staff and 20 per cent for United Nations Volunteers.

Structure of the mission

23. **The Advisory Committee is pleased to note that a number of its recommendations concerning streamlining the structure of the mission (see A/58/806) were taken into account in the preparation of the revised budget (see A/59/289, sect. V).** Overall staffing has been reduced by 83 from the initial proposal of 1,090 staff, for a total proposed staffing of 1,007. In addition, a number of higher-level posts have been downgraded and the Joint Mission Analysis Cell has been eliminated from the organizational structure of the mission. The Committee notes as well that, in response to its concerns, the Division of Administration will now report to the Principal Deputy Special Representative rather than directly to the Special Representative.

24. The Advisory Committee notes the response to its recommendation that, given the availability of qualified local candidates in Côte d'Ivoire, the staffing of the mission could be adjusted to include more national staff. The Committee

understands the mission's concerns as set out in the proposed budget (see A/59/289, sect. V, recommendation 5), which include the need to hire staff who are trained and familiar with United Nations practices and procedures during the start-up phase, as well as concerns about staff safety and neutrality in the light of the current political situation. **The Committee urges the mission to continue its efforts to identify suitable national candidates.**

25. During its consideration of the initial budget for UNOCI for the period from 4 April 2004 to 30 June 2005, the Advisory Committee held an extensive discussion with the representatives of the Secretary-General concerning the proposed application of a two-pillar structure for the mission, which would entail the establishment of two Deputy Special Representative posts within the mission, one responsible for operations and rule of law and the other for humanitarian coordination, recovery and reconstruction. The Committee was informed at that time that it was intended to use this model for all future complex peacekeeping operations. The Committee recommended that, pending a comprehensive review of the organizational structure of the mission, the post of Deputy Special Representative for Humanitarian Coordination, Recovery and Reconstruction be approved at the D-2 level, rather than at the Assistant Secretary-General level as was proposed. In the budget document currently under consideration (A/59/289), the post is again proposed at the Assistant Secretary-General level.

26. In the context of its consideration of the proposed budgets currently before it on the United Nations Stabilization Mission in Haiti (MINUSTAH) (A/59/390), the United Nations Operation in Burundi (ONUB) (A/59/300) and UNOCI (A/59/289), the Advisory Committee held an exchange of views with representatives of the Secretary-General concerning what appears to be the application of a model structure with certain commonalities for current and future missions. The Committee discusses this matter in detail in its report on the proposed budget for MINUSTAH (A/59/390, paras.17-26). The Committee's comments and observations on the proposed structure of MINUSTAH apply to a large extent to the proposed structure of UNOCI.

27. **The Advisory Committee expresses its appreciation of the work that has been done so far to streamline the structure of the mission; however, some of the Committee's concerns, as indicated both in its report on UNOCI (A/58/806) and in its report on MINUSTAH (A/58/390), have not been fully addressed, in particular with regard to the need to establish clear lines of authority and avoid fragmentation and grade inflation.**

28. The Advisory Committee notes that, like MINUSTAH, ONUB, the United Nations Mission in Liberia (UNMIL), the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC) and the United Nations Interim Administration Mission in Kosovo (UNMIK), there is direct reporting of certain units in UNOCI, such as those dealing with legal affairs, communications and public information and political affairs, to the Special Representative of the Secretary-General. The Committee was assured that this responded to lessons learned and reflected the direct support to some of the functions of the Special Representatives in these multidimensional missions. **The Committee cautions, however, against a tendency to replicate functions of the mission itself in the Office of the Special Representative of the Deputy Special Representative. The aim should be to increase efficiency and accountability and to improve management; it should**

not result in an increase in the number of posts or the grade level of the posts proposed, either in the Office of the Special Representative or in other units.

Recommendations on posts

29. **In view of the comments made in the paragraphs above, the Advisory Committee makes the following recommendations for adjustments regarding the staffing establishment in UNOCI:**

(a) **In the Office of the Special Representative, the post of Director, proposed at the D-1 level, should be at the P-5 level and the Director should serve both as Special Assistant to the Special Representative and as Chief of Staff. The Director should be assisted by a P-3 level Special Assistant who will also serve as Protocol Officer. The Special Assistant post (P-5) and the two Protocol Officer posts (1 P-2 and 1 national officer) requested in paragraph 14 of the proposed budget (A/59/289) should be eliminated;**

(b) **The level of the Deputy Special Representative for Humanitarian Coordination, Recovery and Reconstruction should be set at the D-2 level (see para. 25 above);**

(c) **Both the Office of the Legal Adviser and the Communications and Public Information Office should be headed at the P-5 level, rather than D-1, in view of the available support from Headquarters. In the case of the Communications and Public Information Office, the D-1 post should be eliminated and the P-5 requested in paragraph 33 of the proposed budget should act as both head of the Office and Spokesperson.**

30. **The Advisory Committee recommends approval of the post of Special Adviser on the Economic Community of West African States (ECOWAS) at the D-1 level in view of the important role the Special Adviser is to play in ensuring close collaboration with ECOWAS in the monitoring of the Accra III agreement and in supporting the implementation of the Linas-Marcoussis Agreement.**

31. **The Advisory Committee makes the recommendations in paragraphs 29 and 30 above on the understanding that the staffing of UNOCI will be revisited in the next budget for the Operation in the light of further experience. The impact on the budget would be a reduction of $456,100.**

3. Operational costs

Training

32. The Advisory Committee was informed that training costs, as shown in the revised budget for the period from 1 July 2004 to 30 June 2005, were estimated at a total amount of $829,066, including $94,600 for training consultants, $620,544 for training-related travel and $113,922 for training fees, supplies and services. The Committee notes that this amount represents a significant increase over the initially estimated total amount of $570,068 for the period, which included $220,600 for training consultants, $332,433 for training-related travel and $17,035 for training fees, supplies and services. The Committee considers the revised estimates to be high. From the supplementary information provided to it, the Committee notes that some training is to be undertaken in faraway places, such as Singapore, Los Angeles and Montreal, and that such training rarely involves fewer than two staff. **The**

Committee urges the mission to send fewer staff to each training venue and to implement train-the-trainer programmes and video training where feasible. Consideration should also be given to innovations to regionalize training, given the existence of three missions in relatively close proximity. Training consultants might be used to train mission staff in all three missions in the region, for example, or new UNOCI staff might be sent to UNAMSIL for training.

33. Furthermore, while the Advisory Committee recognizes that training needs are greater during the start-up phase of a mission, it points out that many of the international staff to be employed at UNOCI have come from other missions and therefore most likely have undergone some training. The Committee was informed upon enquiry that the training undergone by staff transferring from one mission to another was not systematically tracked. **The Committee sees no reason why a tracking system should not be put in place immediately for all missions, particularly in view of the fact that each international staff member assigned to a mission must complete a personal history form. In the case of UNOCI, the Committee notes that there is a Training Unit in the Office of the Chief of Administrative Services, which could handle such tracking for the mission. The Committee requests that efforts made in this regard be reflected in the proposed budgets for all peacekeeping operations.**

Consultants

34. The proposed budget includes a provision in the amount of $245,000 for consultants that are to be engaged for the Operation's training programme, as well as for the training of local journalists in core journalistic techniques and practices. The Advisory Committee requested additional information concerning the extent to which the use of in-house expertise might reduce requirements under this budget line. It was informed that the requirement for training consultants (see para. 32 above) could be reduced by $17,600. If the estimate for training consultants is reduced, an amount of $3,400 would need to be transferred from the budget line for consultants to training fees, supplies and services, which falls under other supplies, services and equipment. **Accordingly, the Committee recommends that the estimate for consultants be reduced by $21,000 and the estimate for other supplies, services and equipment be increased by $3,400.**

Official travel

35. Official travel for purposes other than training is estimated at $1,099,659 for the period from 1 July 2004 to 30 June 2005. Of that amount, $607,514 relates to travel by Headquarters staff to the mission area. The Advisory Committee notes from the supplementary information provided to it that a large amount of such travel is attributable to the Logistics Support Division ($156,998) and the Administrative Support Division ($102,390). **The Committee considers the amount requested for official travel to be excessive and reminds the mission that responsibility for authorizing unforeseen travel requests rests with the Chief Administrative Officer, who should closely monitor travel both within and outside the mission area. As it has with training, the Committee requests the Secretariat to look into the possibility of regionalization of travel for technical and administrative support from Headquarters to cover neighbouring missions at the same time, thereby limiting the number of trips.**

Facilities and infrastructure

36. The Advisory Committee was informed that a site had been found to accommodate the integrated mission headquarters in Abidjan. Grounds clearing and reconstruction of the former Hotel Sebroko was under way and it was expected that staff could begin moving in late in December 2004 or early in January 2005. Aside from the hotel buildings, there will be containers on the grounds and a level-one medical clinic. The Committee was informed that the compound was quite secure. **The Committee welcomes the progress made in this respect and notes that the integrated headquarters may lead to substantial savings in the long term.**

Air operations

37. As noted in paragraph 18 above, the aviation transport unit shown on the organization chart for the military component of the mission (see A/59/289, annex, sect. C) and the eight military helicopters associated with it have not been deployed and, although it has been budgeted for beginning 1 October 2004, it is unlikely that the unit will be in place before the end of December 2004. **The Committee therefore recommends that the estimate for air operations be reduced by $4,554,700, corresponding to the amount budgeted for eight military helicopters for the three-month period from 1 October to 31 December 2004.**

Quick-impact projects

38. An amount of $800,000 is included in the estimates for the period from 1 July 2004 to 30 June 2005 for quick-impact projects. Upon enquiry, the Advisory Committee was informed that 14 projects at an estimated cost of $139,662 had been recommended for approval by the Selection Committee (see annex III).

Information technology

39. The Advisory Committee notes from the supplementary information provided to it that 226 items of information technology equipment are to be written off by 30 June 2005. Upon enquiry, the Committee was informed that these consisted of 82 computers and 82 monitors transferred from MONUC and the United Nations Mission in Sierra Leone (UNAMSIL), 29 monitors transferred from the United Nations Mission in Côte d'Ivoire (MINUCI) and 40 printers transferred from UNMIK, all of which are at least four years old. Also included is a UPS 5KVA uninterrupted power supply device, which was damaged in a car accident, and two pass and identification systems originally purchased by the United Nations Protection Force (UNPROFOR), which are nearly 11 years old. The latter have become faulty and do not comply with the systems used in UNOCI.

IV. Conclusions of the Advisory Committee

40. The action to be taken by the General Assembly in connection with the financing of UNOCI for the period from 1 July 2004 to 30 June 2005 is indicated in paragraph 97 of the proposed budget (A/59/289). **Taking into account its recommendations in paragraphs 18, 29, 31, 34 and 37 above, the Advisory Committee recommends that the estimated budget requirements of $384,350,400 for the period from 1 July 2004 to 30 June 2005 be reduced by $5,877,600. Accordingly, the Committee recommends that the General**

Assembly appropriate an amount of $378,472,800 gross ($372,129,600 net) for the maintenance of UNOCI for the period, in addition to the amount of $200,646,600 already appropriated under the terms of General Assembly resolution 58/310.

Documentation

- Budget for the United Nations Operation in Côte d'Ivoire for the period from 1 July 2004 to 30 June 2005 (A/59/289)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget for the period from 4 April 2004 to 30 June 2005 of the United Nations Operation in Côte d'Ivoire (A/58/806)
- General Assembly resolution 58/310 of 18 June 2004, on the financing of the United Nations Operation in Côte d'Ivoire
- Second report of the Secretary-General on the United Nations Operation in Côte d'Ivoire (S/2004/697)
- Security Council resolution 1528 (2004) of 27 February 2004

Annex I

Status of expenditures for the period from 1 July to 31 December 2004, as at 24 September 2004

(Thousands of United States dollars)

Category	*Apportionment (1)*	*Expenditures/ commitments (2)*
I. Military and police personnel		
Military observers	2 920.6	1 938.2
Military contingents	50 955.2	43 752.6
Civilian police	2 995.1	2 063.2
Formed police units	—	—
Total, line I	**56 870.9**	**47 754.0**
II. Civilian personnel		
International staff	16 006.6	5 744.5
National staff	3 999.7	565.8
United Nations volunteers	1 502.4	490.6
Total, line II	**21 508.7**	**6 800.9**
III. Operational costs		
General temporary assistance	—	—
Government-provided personnel	205.7	—
Civilian electoral observers	—	—
Consultants	165.4	—
Official travel	954.7	291.1
Facilities and infrastructure	36 748.1	5 442.6
Ground transportation	29 762.2	7 281.5
Air transportation	21 830.2	9 364.5
Naval transportation	—	—
Communications	15 380.0	4 306.3
Information technology	5 346.0	1 427.9
Medical	2 555.7	629.0
Special equipment	1 502.7	1 140.4
Miscellaneous supplies, services and equipment	7 016.3	209.8
Quick-impact projects	800.0	—
Total, line III	**122 267.0**	**30 093.1**
Gross requirements	**200 646.6**	**84 648.0**

Annex II

Interregional and inter-mission logistical cooperation

A. Material support received from other missions

From	*To*	*Goods involved*	*Remarks*
Communications			
United Nations Mission in Ethiopia and Eritrea (UNMEE)	United Nations Operation in Côte d'Ivoire (UNOCI)	80 — LJ printers 20 — 15" flat screen monitors 15 — HP inkjet portable colour printers 10 — Canon portable colour printers 50 — Compaq EVO 510 desktop computers 30 — Compaq 18" flat screen monitors 20 — Compaq EVO610C notebooks 10 — HP 9100C digital senders	Equipment provided is new. Replacement equipment procured by UNOCI to be delivered to UNMEE as replenishment.
United Nations Mission in Sierra Leone (UNAMSIL)	UNOCI	1 — Server packs with UPS and monitors 50 — Motorola GP 360 VHF radios 1 — 3.7 metre satellite dish (incomplete) 29 — Dell 500 Mhz computers and monitors	Equipment provided is new. Replacement equipment procured by UNOCI to be delivered to UNAMSIL as replenishment.
Medical supplies			
United Nations Mission in Liberia (UNMIL)	UNOCI	Medical equipment and supplies	To be paid by inter-mission billing.

B. Air operation support provided to or received by UNOCI from other missions

The three missions, UNOCI, UNAMSIL and UNMIL, are organizing a tri-mission flight shuttle. The flight will pass through the three missions on a weekly basis.

C. Support provided to UNOCI

Support provided by		
United Nations Organization Mission in the Democratic Republic of the Congo (MONUC)	*UNAMSIL*	*UNMIL*
N/A	UNAMSIL provided landing and ground-handling services to UNOCI aircraft at Freetown and other airports/landing pads in Sierra Leone.	UNMIL continued supporting UNOCI through its aviation assets for both cargo and personnel transportation within Côte d'Ivoire. UNMIL has offered (free of cost) space to UNOCI personnel on its regional flights. UNMIL continued providing landing and ground-handling services to UNOCI aircraft at Monrovia and other airports/helipads in Liberia.

Annex III

Overview of quick-impact projects as at September 2004

Of 78 projects proposed to ONUCI, 14 were recommended for approval by the Selection Committee. The recommended projects amount to CFAF 74,389,222 (equivalent US$ 139,662).* As at 25 September, none of these projects had been fully completed.

Organization	*Project type*	*Location*	*Amount in CFA francs*	*Equivalent in United States dollars*
Non-governmental organization, Notre enfance	Activities generating income in the rural area in Bouaké	Bouaké	4 200 000	7 885
Non-governmental organization, Collectif des victimes en Côte d'Ivoire	Activities generating income and helping women to be reintegrated into society	Ferké	4 010 000	7 529
Force Licorne and non-governmental organization, OAPCAD	Study for the reintegration of the Dozo hunters		8 250 000	15 489
Maison de l'enfance	Training material for child soldiers	Bouaké	3 085 100	5 792
United Nations Military Observer, team Danané with the support of the local government	Renovation of the Lycée moderne de Danané and of the recreational area	Danané	5 359 400	10 062
Management Committee of the school of Lolobo	Renovation of the school of Lolobo (35 km from Bouaké)	Lolobo	3 911 100	7 343
Management Committee of the school of Gbenema	Renovation of the school of Gbenema	Gbenema	4 136 693	7 766
Regional Council of Danané	Renovation of the Community Health Centre of Téapleu (subprefecture of Zouan Hounien)	Téapleu	3 744 509	7 030
Management Committee of the primary school of Damé	Renovation of a primary school in Damé (subprefecture of Tabagne)	Damé	4 806 000	9 023
ONUCI Civilian Police	Renovation of accommodation in Bangolo	Bangolo	6 948 000	13 045
Comité de gestion des écoles primaires publiques, Tindara	Renovation of a school building and provision of furniture and equipment	Tindara	5 906 700	11 090
Non-governmental organization, Idelpa Côte d'Ivoire	Extension of the radio wave of the regional radio station of Tabou	Tabou	5 970 000	11 208
Non-governmental organization, MAMI	Renovation of a health centre in Kossandji	Kossandji	6 486 720	12 179
Non-governmental organization, Partages	Popularization of the pilot listening centres	All over the country	7 575 000	14 222
Total			**74 389 222**	**139 662**

* Exchange rate is US$ 1= CFAF 532.637 (United Nations rate as at 1 October 2004).

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Financing of the United Nations Operation in Côte d'Ivoire

Proposed budget for the United Nations Operation in Côte d'Ivoire for the period from 1 July 2004 to 30 June 2005

Report of the Advisory Committee on Administrative and Budgetary Questions

Corrigendum

Paragraph 40, last sentence

For in addition to the amount of $200,646,600 *read* inclusive of the amount of $200,646,600

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Programme budget for the biennium 2004-2005

Report of the Secretary-General on the activities of the Office of Internal Oversight Services

Report of the Office of Internal Oversight Services on the United Nations capital master plan for the period from August 2003 through July 2004

Note by the Secretary-General*

1. Pursuant to General Assembly resolutions 48/218 B of 29 July 1994, 54/244 of 23 December 1999 and 57/292 of 20 December 2002, the Secretary-General has the honour to transmit, for the attention of the General Assembly, the attached report on the United Nations capital master plan, conveyed to him by the Under-Secretary-General for Internal Oversight Services.

2. The Secretary-General takes note of the findings and concurs with the observations made in the report, which will enhance the management of the plan.

* The present report could not be submitted prior to the deadline because the review had not been concluded at that time.

04-53998 (E) 281004

Report of the Office of Internal Oversight Services on the United Nations capital master plan for the period from August 2003 through July 2004

Summary

From August 2003 through July 2004, the Office of Internal Oversight Services (OIOS) provided continuous audit coverage of activities relating to the United Nations capital master plan, including the construction phase of the security strengthening project. OIOS audit activities, as mandated by the General Assembly in resolution 57/292, were intended to determine whether adequate internal controls were established and implemented by the Office of the Capital Master Plan and other United Nations departments and offices responsible for the execution of the capital master plan project. In that context, OIOS reviewed contracts with an aggregate value of $59 million.

Based on its review, OIOS concludes that the resources appropriated by the General Assembly for capital master plan activities were generally utilized in accordance with the United Nations Financial Rules. However, it found that United Nations operating procedures and documents related to construction contracts needed to be improved for the capital master plan project to be implemented efficiently and economically.

OIOS expresses concern that the construction documents for the security strengthening project may not be entirely adequate, because the construction manager and contract administrator were not on board during the design stage. Also, inconsistencies in the construction documents and the potential for cost savings, identified by the constructability review, apparently had not been addressed by the Office of the Capital Master Plan prior to the issuance of the request for proposals. This may create project implementation delays and cost overruns. Also, OIOS found that the guarantees provided by the contractor for the performance of the security strengthening construction contract were not adequate. It should be noted that OIOS has conducted a related review of the utilization and management of funds appropriated for strengthening the security and safety of United Nations premises. The results of that review are being communicated to the General Assembly in a separate report.

Most of the OIOS recommendations addressing the issues identified during its reviews have been implemented or are in the process of being implemented by the Office of the Capital Master Plan, with the support of the Procurement Division and the Office of Legal Affairs when needed.

OIOS will continue to oversee the capital master plan project, and will require the necessary support and resources to execute this mandate.

I. Introduction

1. Pursuant to General Assembly resolution 57/292 of 20 December 2002, the Office of Internal Oversight Services (OIOS) hereby submits its second report on the United Nations capital master plan. The report summarizes oversight activities of OIOS for the period from August 2003 through July 2004. During this period, the Secretariat procured architectural and engineering services for the design development phase of the capital master plan and security-related construction services for the security strengthening project, for which the Office of the Capital Master Plan is now responsible. As at 30 June 2004, seven contracts were awarded, totalling approximately $59 million. Six of these contracts relate to the design development phase of the capital master plan and one is for construction work under the security strengthening project. The most recent data available concerning these contracts, provided by the Department of Management, appears in the annex to the present report.

2. During the reporting period, OIOS reviewed the requests for proposals and related bids and contract documents issued for the design development phase of the plan and the construction phase of the security strengthening project. OIOS was represented at more than 20 meetings related to the procurement process and provided comments and recommendations through formal and informal communications. OIOS is pleased to report that it received full cooperation from the departments and offices responsible for the implementation of the plan, including the Office of the Capital Master Plan, the Procurement Division and the Facilities Management Division, Office of Central Support Services, and the Office of Legal Affairs.

II. Organization and resources of the Office of the Capital Master Plan

3. With the departure of the Executive Director of the Office of the Capital Master Plan in February 2004, the Office has, since April 2004, been headed by an officer-in-charge at the D-2 level. In June 2004, the Budget Division approved the staffing table for the Office for 2004, in response to the request made by the former Executive Director to the Under-Secretary-General for Management in June 2003 for the establishment of a new organizational structure. OIOS believes that the newly approved staffing table, composed of 11 Professional and nine General Service staff, represents significant progress towards ensuring adequate management by the Office of the design development phase of the capital master plan.

III. Oversight activities of the Office of Internal Oversight Services during the reporting period

4. During the reporting period, OIOS carried out several audits and other significant oversight activities relating to the capital master plan, which are described below. OIOS generally provided its comments and recommendations on the spot, during meetings or immediately after its review of the documents provided by the Office of the Capital Master Plan, to ensure that such comments and

recommendations could be taken into account while preparing bids or negotiating contracts. **The Office of Legal Affairs commented that the Department of Management and OIOS might wish to consider whether the real-time involvement of OIOS had unduly complicated and burdened the process of negotiating and concluding contracts, since the Procurement Division and the Office of Legal Affairs had to address the same concerns of OIOS, not only during contract negotiations but also after the contracts had been concluded.** OIOS notes that the Office of the Capital Master Plan took into account and implemented most of the recommendations that it issued during contract negotiations. As indicated, OIOS used this method for reporting its observations to ensure that they were considered as soon as possible. It will, however, attempt to simplify the reporting procedure, in coordination with the Office of the Capital Master Plan.

5. Based on its review, OIOS concluded that the resources appropriated by the General Assembly for capital master plan activities were being utilized in accordance with the United Nations Financial Rules. However, OIOS found that the United Nations documents related to construction contracts, such as requests for proposals, general and special conditions and procedures, needed to be strengthened in order for the capital master plan project to be implemented efficiently and economically. **The Office of Legal Affairs noted in this regard that it had developed a model draft construction contract for the construction phase of the plan and was seeking specialized outside legal advice with expertise in this area.**

A. Audit of the adequacy of standard United Nations documents and procedures for construction contracts

6. The audit assessed whether the standard United Nations documents used in the procurement of construction-related services, including requests for proposals, contracts, general conditions, general requirements and special conditions, were adequate for capital master plan contracts. In an audit report finalized in June 2004, OIOS concluded that current United Nations procedures for the procurement of construction-related services should be strengthened to accommodate the complexity and magnitude of the capital master plan project. **The Office of the Capital Master Plan agreed with OIOS and noted that the company which had been awarded the contract for programme management services (see para. 9 below) will provide project management policies, procedures, guidelines and a manual.**

7. In its report, OIOS recommended that the Office of the Capital Master Plan, with the support of the Office of Legal Affairs and the Procurement Division, strengthen or include in contract documents provisions regarding subcontractor requirements and the pre-qualification process, payment terms, record-keeping requirements, demolition and scaffolding procedures, coordination of work with others and project close-out procedures. OIOS also recommended that the Office of the Capital Master Plan use the host country industry standard procedure for evaluating the performance of contractors, which is more relevant for construction projects than the one used by the United Nations.

8. The Office accepted most of the recommendations of OIOS for immediate implementation and provided satisfactory clarifications in regard to the few remaining ones, which OIOS withdrew. OIOS is of the view that this exercise will contribute to strengthening construction contract documents, as well as contract execution and control procedures.

B. Review of the request for proposal for programme management services

9. In November 2003, the Office of the Capital Master Plan initiated a request for proposal for programme management services to assist in providing oversight and overall coordination of the design activities of the architectural and engineering firms. Seven engineering and/or construction firms submitted proposals, and five of them were short-listed and were to provide their best and final offers. The Office of the Capital Master Plan and the Procurement Division were reviewing these offers and finalizing the selection of a contractor. OIOS attended the verbal presentations made by the seven firms, and suggested additional areas in which prospective vendors needed to demonstrate sufficient experience, such as programme management, construction management, refurbishment and preservation of artefacts. OIOS also suggested that the Office of the Capital Master Plan consider a firm's resource availability and its knowledge of the major construction work in progress in the New York metropolitan area, which could affect the labour market during the refurbishment of United Nations Headquarters. In addition, OIOS attended the presentations by the firms of their commercial proposals, and provided a critical analysis of the labour hours and prices that they submitted. The Office of the Capital Master Plan took into account all of the recommendations made by OIOS.

C. Review of the contracts for the design development phase of the capital master plan

10. The United Nations entered into contracts A to F (see annex) with professional firms to provide design and engineering for the refurbishment work. In its report to the General Assembly at its fifty-eighth session (A/58/342), OIOS concluded that the request for proposal for selecting architectural and engineering firms for the design development phase of the capital master plan had advanced satisfactorily and that there was reasonable assurance to indicate that the process had been transparent and fair and that internal controls were adequate. In its recent review, OIOS focused on the contracting process following the receipt of vendor proposals and the development by the Office of the Capital Master Plan of monitoring procedures for general services under contracts A to F.

11. The Office of the Capital Master Plan sought the views of OIOS regarding the use of unified contract language for all six contracts, with necessary variations in the scope of work of each. OIOS supported the concept of the Office, which was based on a similar practice in the host country and in the construction industry in general. OIOS reviewed the proposed unified draft contract language to ensure it provided adequate guarantees for the United Nations against any deficiencies in the design documents, and was satisfied as a result of its review. **The Office of Legal Affairs commented that it would recommend that the Organization follow host**

country practice when it is in the interests of the Organization to do so. The Organization is not subject to the jurisdiction of the host country, but relies in its contracting on general principles of commercial law. The Office of Legal Affairs expressed the view that each contract should be negotiated separately, with a view to concluding a contract that most fully protects the interests of the Organization. OIOS acknowledges these comments, and wishes to point out that it also views host country practice as a useful reference in the case of the capital master plan, not as a mandatory requirement. Also, OIOS is of the view that the use of unified contract language, while the most effective approach, would not prevent the Organization from negotiating each contract separately.

12. OIOS provided several on-the-spot observations during the presentations by the professional firms of their plans of action to the Office of the Capital Master Plan. In addition, it provided comments on the procedures developed by the latter for evaluating the general services provided under the contracts. The comments and suggestions of OIOS were accepted and incorporated into the contracting documents and monitoring procedures, thereby strengthening them.

D. Security strengthening project at United Nations Headquarters

13. OIOS assessed whether the scope, drawings, specifications and cost estimates for the security strengthening project were developed and reviewed independently prior to the solicitation of bids in order to ensure the accuracy and completeness of the construction documents. It is standard practice in the construction industry to perform such a review, known as a constructability review, and to address any issues identified by the reviewer before the issuance of a request for proposals. OIOS has also completed a related in-depth review of the utilization and management of funds appropriated during the biennium 2002-2003 for the implementation of measures to strengthen the security and safety of United Nations premises, as mandated by the General Assembly in resolution 58/295 of 18 June 2004. The results of that review are being reported separately to the General Assembly.

14. The Office of the Capital Master Plan used the preliminary design documents prepared for the capital master plan security work for the security strengthening project, which provided a basis for the much larger security programme related to contract F (see annex). However, OIOS observed that only a limited constructability review of the specifications document and drawings had been performed by the Office. The constructability review identified the need to resolve several differences between the contract drawings and specifications, clarify ambiguous language, bring certain areas into compliance with the New York City electrical code, and achieve potential cost savings. OIOS did not find evidence that the Office of the Capital Master Plan had subsequently addressed those issues before the request for proposal was issued. **The Office of the Capital Master Plan provided clarification, explaining that the constructability review also covered phasing for construction documents and a sequencing plan. The comments contained therein were reflected in the final contract drawings, which were released to bidders at the end of June 2003. Further adjustments were made to the contract drawings, in the form of amendments, in the light of the comments received from bidders in the course of their review of drawings.**

15. OIOS observed that the construction manager and contract administrator were not in place during the design phase of the security strengthening project to undertake a quality assurance review of the construction documents, including the scope report, cost estimates, specifications and drawings, and the value engineering report. In its view, there was a risk that the construction documents may contain inconsistencies or inefficiencies, which in turn may create delays and cost overruns for the project. OIOS will complete its review of the project's construction documents in the near future, and will report its findings and recommendations to the Office of the Capital Master Plan.

16. OIOS reviewed the contractor selection process and recommended that the Office of the Capital Master Plan obtain background investigation reports on prospective contractors, subcontractors and consultants. This suggestion was immediately implemented and resulted in the disallowance of one of the subcontractors. OIOS also recommended the inclusion in requests for proposals of a requirement that contractors, subcontractors and consultants perform background investigations of employees who would work on United Nations projects, as is generally done in the host country construction industry and in government contracts. **The Office of Legal Affairs noted that this issue was addressed in article 3 of the United Nations General Conditions of Contract, the scope of which could actually be narrowed if the recommendation were implemented. The Office of Legal Affairs stated that, in the light of the events of September 2001, if the Organization were to require such background investigations, the issue should be reviewed by the Security and Safety Service.** OIOS will continue to follow up this issue with the Department of Management and the Office of Legal Affairs. Also, OIOS provided a number of comments on various articles of the project's draft construction contract. Most of those comments were accepted and incorporated in the subsequent revision of the draft contract.

17. OIOS reviewed the guarantees provided by the selected contractor for the performance of the contract and concluded that the interests of the United Nations were not adequately safeguarded because the Office of Central Support Services accepted lesser guarantees from the selected contractor than it usually did for construction-related contracts. These guarantees only provided 17.5 per cent protection coverage for the $21.6 million project (or $3.8 million), which is significantly less than the United Nations standard requirement of 27.5 per cent which would have resulted in coverage of $5.9 million or the industry standard security coverage of 210 per cent, or $45.4 million. Furthermore, the Office was of the view that the letter of credit which replaced the normal performance bond afforded the United Nations less protection against the contractor's poor performance. **The Office of Legal Affairs did not comment on the amounts of the guarantees provided but clarified that the letter of credit, as with a performance bond, should be irrevocable, its proceeds available without the need for arbitral or judicial proceedings, and the money delivered immediately by the issuer without objection or recourse. The Department of Management stated that, like OIOS, it supported obtaining the highest guarantees but noted that the contracting process had reached a stalemate and not to have done anything would have been far more serious. The Office of Legal Affairs and the Procurement Division had therefore identified a practical way forward which offered a measured degree of protection.**

IV. Conclusion

18. In the next reporting period, OIOS will concentrate on reviewing the implementation of architectural and engineering contracts. The resources allotted to OIOS from the appropriation for the capital master plan during the current reporting period allowed for the recruitment of one auditor on a short-term basis. This was not sufficient to provide the oversight coverage intended by the General Assembly in resolution 57/292. OIOS had to assign another senior auditor to form the audit team exclusively responsible for the capital master plan. Based on the projected activities of the plan to be carried out in 2005 and ensuing years until the end of the design development phase, OIOS expects that it will need to allocate at least 600 workdays to capital master plan audit activities. This would require two full-time auditors experienced in construction audit and related issues, as well as the involvement of the management of OIOS and the Internal Audit Division. **The Department of Management commented that activities funded under the capital master plan would be fewer than originally planned owing to funding issues. Regarding activities relating to the security and safety upgrades which are funded by the regular budget, internal audit funds are already provided under section 30, Internal oversight, of the regular budget.** OIOS notes the comment of the Department but wishes to stress that, alone, the current audit resources allocated to OIOS for the capital master plan are insufficient to provide adequate audit coverage. OIOS therefore reiterates that oversight resources should be increased to provide for the services of two full-time auditors.

(*Signed*) Dileep **Nair**
Under-Secretary-General for Internal Oversight Services

Annex

Contracts for the capital master plan (design development, construction document and construction administration phase) and for the security strengthening project

Contract	*Capital master plan component*	*Contract signature date*	*Design development phase*	*Construction document phase*	*Construction administration phase*	*Additions/ other services*	*Contract amount*
A	Functional relocation programme	2/1/04	523 273.00	171 565.00	85 783.00	77 204.00	857 825.00
B	Infrastructure, basement, garage, North Lawn and United Nations Institute for Training and Research building	25/6/04	2 513 567.50	4 524 421.50	3 016 281.50	2 214 901.00	12 269 172.50
C	General Assembly and conference buildings	25/6/04	2 883 713.25	5 190 683.85	3 460 455.90		11 534 853.00
D	Secretariat and south annex building	Contract not signed as at 1/8/04	1 664 604.70	2 996 288.60	1 997 525.70		6 658 419.00
E	Dag Hammarskjöld Library building	25/6/04	519 491.75	935 085.15	623 390.10		2 077 967.00
F	Security	25/6/04	1 053 110.00	1 895 598.00	1 263 732.00		4 212 440.00
Total			**9 157 760.20**	**15 713 642.10**	**10 447 168.20**	**2 292 105.00**	**37 610 676.50**
Security strengthening project	Security strengthening project at United Nations Headquarters — construction phase	31/3/04			21 579 506.00		21 579 506.00
Total, capital master plan and security strengthening project							**59 190 182.50**

Note:

1. Figures are in United States dollars.
2. The request for proposal (RFPS 466) issued in February 2003 for the design development phase of the capital master plan was structured into six separate contract areas (contracts A to F).
3. No payments were made relating to the contracts as at 30 June 2004.
4. The amounts on contract D are those from the financial proposal of the engineering and architectural firm.

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Scale of assessments for the apportionment of the expenses of the United Nations

Report of the Fifth Committee

Rapporteur: Mrs. Denisa **Hutanova** (Slovakia)

I. Introduction

1. At its 2nd plenary meeting, on 17 September 2004, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-ninth session the item entitled "Scale of assessments for the apportionment of the expenses of the United Nations" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the item at its 2nd and 4th meetings, on 4 and 7 October 2004. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/59/SR.2 and 4). An addendum to the present report will reflect further consideration of the item by the Committee during the fifty-ninth session.

3. For its consideration of the item, the Committee had before it a letter dated 1 July 2004 from the President of the General Assembly addressed to the Chairman of the Fifth Committee, transmitting a letter dated 28 June 2004 from the Chairman of the Committee on Contributions to the President of the General Assembly (A/C.5/58/40).

II. Consideration of draft resolution A/C.5/59/L.2

4. At the 4th meeting, on 7 October, the Committee had before it a draft resolution entitled "Scale of assessments for the apportionment of the expenses of the United Nations: requests under Article 19 of the Charter" (A/C.5/59/L.2), submitted by the Chairman of the Committee, based on the agreement reached at the Committee's 2nd meeting, held on 4 October.

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5. At the same meeting, following a statement by the representative of Liberia, statements were made by the representatives of India, the United States of America, the Syrian Arab Republic, Pakistan, Cuba, the Netherlands (on behalf of the States Members of the United Nations that are also members of the European Union), Trinidad and Tobago, the Russian Federation, Yemen, Japan, Bangladesh, Nigeria, China, Morocco, Qatar, Uruguay and Venezuela.

6. At the same meeting, following a suspension of the meeting, the Secretary of the Committee orally revised the draft resolution as follows:

(a) In the first preambular paragraph, the words "a statement by the Permanent Representative of Georgia" were replaced by the words "statements by the representatives of Georgia and Liberia";

(b) Footnote number 3 was added after "Liberia", to read "A/C.5/59/SR.4";

(c) In operative paragraph 5, after the word "Georgia" the words "and Liberia" were added;

(d) In operative paragraph 6, in both instances, after the word "Georgia" the words "and Liberia" were added;

(e) In operative paragraph 7, after the word "Georgia" the words "and Liberia" were added.

7. Also at the same meeting, the Committee adopted draft resolution A/C.5/59/L.2, as orally revised, without a vote (see para. 9).

8. After the adoption of the draft resolution, a statement was made by the representative of Georgia.

III. Recommendation of the Fifth Committee

9. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Scale of assessments for the apportionment of the expenses of the United Nations: requests under Article 19 of the Charter

The General Assembly,

Having considered the letter dated 1 July 2004 from the President of the General Assembly to the Chairman of the Fifth Committee transmitting a letter dated 28 June 2004 from the Chairman of the Committee on Contributions regarding the recommendations of the Committee on requests for exemption under Article 19 of the Charter of the United Nations[1] and the statements by the Representatives of Georgia[2] and Liberia,[3]

Reaffirming the obligation of Member States under Article 17 of the Charter to bear the expenses of the Organization as apportioned by the General Assembly,

[1] See A/C.5/58/40.
[2] A/C.5/59/SR.2.
[3] A/C.5/59/SR.4.

1. *Reaffirms* its role in accordance with the provisions of Article 19 of the Charter of the United Nations and the advisory role of the Committee on Contributions in accordance with rule 160 of the rules of procedure of the General Assembly;

2. *Also reaffirms* its resolution 54/237 C of 23 December 1999;

3. *Agrees* that the failure of the Central African Republic, the Comoros, Guinea-Bissau, Iraq, the Niger, the Republic of Moldova, Sao Tome and Principe, Somalia and Tajikistan to pay the full minimum amount necessary to avoid the application of Article 19 of the Charter was due to conditions beyond their control;[1]

4. *Decides* that the Central African Republic, the Comoros, Guinea-Bissau, Iraq, the Niger, the Republic of Moldova, Sao Tome and Principe, Somalia and Tajikistan should be permitted to vote in the General Assembly until 30 June 2005;

5. *Takes note* of the information provided by Georgia and Liberia;

6. *Concludes* that the failure of Georgia and Liberia to pay the full minimum amount necessary to avoid the application of Article 19 of the Charter was due to conditions beyond their control and invites Georgia and Liberia to submit appropriate information to the Committee on Contributions if similar circumstances prevail in the future;

7. *Decides* that Georgia and Liberia should be permitted to vote in the General Assembly until 30 June 2005.